been announced on 22nd April, 1995 which allows 100 per cent Free Sale Quota to small growers having holding size below 10 hect. and 70 per cent Free Sale Quota to the rest of the growers. It is not practicable in the liberalised trade regime to fix economic price for coffee in the domestic market.

Dumping of China

5093. SHRI VAYALAR RAVI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that China is "dumping" its products in India which forced closure of some Indian companies;

(b) if so, what action has been taken against such "dumping"; and

(c) the initiative taken to prevent "dumping"?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): The Designated Authority for Anti-Dumping in the Ministry of Commerce has received petitions alleging dumping of certain products from China. However, no information is available with the Designated Authority about the closure of any Indian Company as a result of dumping by China.

(b) The Designated Authority has initiated investigation in cases where there was prima-facie evidence of dumping and material injury to the domestic industry therefrom. Provisional duties have been recommended and levied wherever found necessary.

(c) An Anti-dumping Division has been formed in the Ministry of assist the Designated Authority in investigating "dumping" allegations. Further, amendments have been made to Customs Tariff Act, 1975 and the Customs Tariff (Identification, Assessment and Collection of Duty or Additional Duty on Dumped Articles for Determination of Injury) Rules, 1995 have been framed to deal effectively with dumping.

New categorisation by EO Introducing different rates of traiffs

5094. SHRI VAYALAR RAVI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the European Union (EU) introduced a new categorisation of various States to introduce different rate of traiffs;

(b) if so, to what extent this will affect Indian exports to these EU countries; and

(c) steps taken to minimise the damage to our exports to EU countries?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c) One of the salient features of the European Union's new GSP scheme, which entered into force on 1st January 1995, is "graduation". Under this policy, countries with a per capita GNP of over US $6000 in 1991 will get only 50% of GSP benefits w.e.f. 1st April 1995 and will be excluded from GSP altogether w.e.f. 1st January 1996. Countries with per capita GNP of less than US 6000 will have a 50% reduction of benefits w.e.f. 1st January 1997 in sectors where they have achieved a high degree of trade specialisation, with GSP benefits withdrawn altogether for these sectors w.e.f. 1st January 1998.

The graduation mechanism will also apply to beneficiary countries whose exports of products covered by GSP in a given sector exceed 25% of all beneficiary countries exports to the Community in that sector. For